

110TH CONGRESS  
1ST SESSION

# S. 1045

To strengthen performance management in the Federal Government, to make the annual general pay increase for Federal employees contingent on performance, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MARCH 29, 2007

Mr. VOINOVICH introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To strengthen performance management in the Federal Government, to make the annual general pay increase for Federal employees contingent on performance, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Workforce  
5 Performance Appraisal and Management Improvement  
6 Act of 2007”.

1 **SEC. 2. PERFORMANCE APPRAISAL SYSTEMS.**

2 Subchapter 1 of chapter 43 of title 5, United States  
3 Code, is amended—

4 (1) by amending section 4302 to read as fol-  
5 lows:

6 **“§ 4302. Establishment of performance appraisal sys-**  
7 **tems**

8 “(a)(1) Subject to paragraphs (2) and (3), each agen-  
9 cy shall establish 1 or more performance appraisal systems  
10 to promote high performance.

11 “(2) In designing and applying a performance ap-  
12 praisal system established under this subsection, each  
13 agency shall—

14 “(A) link the system with the strategic goals  
15 and annual performance plan of the agency;

16 “(B) involve employees in the development of  
17 their performance standards;

18 “(C) provide each employee with a written per-  
19 formance appraisal annually;

20 “(D) make meaningful distinctions in perform-  
21 ance; and

22 “(E) use the results of performance appraisals  
23 as a basis for training, rewarding, compensating, re-  
24 assigning, promoting, reducing in grade, retaining,  
25 and removing employees.

1       “(3) Consistent with section 4304, each performance  
2 appraisal system established under this subsection shall  
3 be developed with appropriate technical assistance from  
4 the Office of Personnel Management and shall be reviewed  
5 before implementation and from time to time thereafter  
6 by the Director of the Office to determine whether the sys-  
7 tem meets the requirements of this subchapter. The agen-  
8 cy shall promptly take any corrective action directed by  
9 the Director of the Office at any time under section 4304  
10 (b)(3).

11       “(b) Under regulations which the Director of the Of-  
12 fice of Personnel Management shall prescribe, each per-  
13 formance appraisal system shall provide for—

14               “(1) holding supervisors and managers account-  
15 able in their performance appraisal for effectively  
16 managing the performance of employees, which in-  
17 cludes—

18                       “(A) assessing performance;

19                       “(B) providing ongoing feedback and pre-  
20 paring written performance appraisals;

21                       “(C) addressing poor performance; and

22                       “(D) promoting and rewarding excellent  
23 performance;

1           “(2) establishing performance standards related  
2           to relevant assigned tasks for each employee or posi-  
3           tion under the system which will permit—

4                   “(A) the accurate evaluation of perform-  
5                   ance on the basis of objective criteria, to the  
6                   maximum extent feasible; and

7                   “(B) making meaningful distinctions in  
8                   performance;

9           “(3) communicating to each employee at the be-  
10           ginning of each appraisal period the performance  
11           standards and the critical elements of the employee’s  
12           position;

13           “(4) evaluating each employee during the ap-  
14           praisal period on such standards;

15           “(5) assisting employees in improving unaccept-  
16           able performance;

17           “(6) reassigning, reducing in grade, or remov-  
18           ing employees who continue to have unacceptable  
19           performance, but only after an opportunity to dem-  
20           onstrate acceptable performance;

21           “(7) establishing multiple levels of summary  
22           performance ratings which provide for making mean-  
23           ingful distinctions in performance, including at  
24           least—

1 “(A) a summary level of fully successful  
2 (or equivalent);

3 “(B) a summary level of unacceptable; and

4 “(C) a summary level above fully success-  
5 ful; and

6 “(8) recognizing and rewarding employees  
7 whose performance so warrants.”; and

8 (2) by amending section 4304 to read as fol-  
9 lows:

10 **“§ 4304. Responsibilities of the Office of Personnel**  
11 **Management**

12 “(a) The Office of Personnel Management shall make  
13 technical assistance available to agencies in the develop-  
14 ment of performance appraisal systems.

15 “(b)(1) The Director of the Office shall review each  
16 performance appraisal system developed by any agency  
17 under this subchapter prior to its implementation and de-  
18 termine whether the performance appraisal system as de-  
19 signed meets the requirements of this subchapter.

20 “(2) The Director of the Office shall—

21 “(A) review agency performance appraisal sys-  
22 tems developed under this subchapter from time to  
23 time after their implementation to determine the ex-  
24 tent to which the application of any such system  
25 meets the requirements of this subchapter; and

1 “(B) report to the President and Congress any  
 2 finding that an agency has failed to meet those re-  
 3 quirements.

4 “(3) If the Director of the Office determines that a  
 5 system does not meet the requirements of this subchapter  
 6 (including regulations prescribed under section 4305), the  
 7 Director of the Office shall direct the agency to implement  
 8 an appropriate system or to correct operations under the  
 9 system, and any such agency shall take any action so re-  
 10 quired.”.

11 **SEC. 3. MANDATORY TRAINING PROGRAMS FOR SUPER-**  
 12 **VISORS.**

13 (a) IN GENERAL.—Section 4121 of title 5, United  
 14 States Code, is amended to read as follows:

15 **“§ 4121. Specific training programs**

16 “(a) In this section, the term ‘supervisor’ means—

17 “(1) a supervisor as defined under section  
 18 7103(a)(10); and

19 “(2) any other employee as the Director of the  
 20 Office may by regulation prescribe.

21 “(b) Under operating standards promulgated by, and  
 22 in consultation with, the Director of the Office of Per-  
 23 sonnel Management, the head of each agency shall estab-  
 24 lish—

1           “(1) a comprehensive management succession  
2           program to provide training to employees to develop  
3           managers for the agency; and

4           “(2) a program to provide training to super-  
5           visors on actions, options, and strategies a super-  
6           visor may use in—

7                   “(A) communicating performance expecta-  
8                   tions and conducting employee performance ap-  
9                   praisals;

10                   “(B) mentoring employees and improving  
11                   employee performance and productivity;

12                   “(C) dealing with employees whose per-  
13                   formance is unacceptable; and

14                   “(D) otherwise carrying out the duties and  
15                   responsibilities of a supervisor.

16           “(c)(1) Not later than 1 year after the date on which  
17           an individual is appointed to the position of supervisor,  
18           and every 5 years thereafter, that individual shall be re-  
19           quired to complete the program established under sub-  
20           section (b)(2).

21           “(2) Each program established under subsection  
22           (b)(2) shall include provisions under which credit may be  
23           given for periods of similar training previously completed.

1       “(d) The Director of the Office of Personnel Manage-  
 2       ment shall prescribe regulations to carry out this sec-  
 3       tion.”.

4       (b) EFFECTIVE DATE AND APPLICATION.—

5           (1) IN GENERAL.—The amendments made by  
 6       this section shall take effect as provided under sec-  
 7       tion 6 and apply to—

8           (A) each individual appointed to the posi-  
 9       tion of a supervisor, as defined under section  
 10       4121(a) of title 5, United States Code, (as  
 11       added by subsection (a) of this section) on or  
 12       after that effective date; and

13          (B) each individual who is employed in the  
 14       position of a supervisor on that effective date as  
 15       provided under paragraph (2).

16       (2) SUPERVISORS ON EFFECTIVE DATE.—Each  
 17       individual who is employed in the position of a su-  
 18       pervisor on the effective date of this section shall be  
 19       required to—

20          (A) complete the program established  
 21       under section 4121(b)(2) of title 5, United  
 22       States Code (as added by subsection (a) of this  
 23       section), not later than 3 years after the effec-  
 24       tive date of this section; and



1 (B) complete that program every 5 years  
2 thereafter in accordance with section 4121(c) of  
3 such title.

4 **SEC. 4. PAY RATES AND SYSTEMS.**

5 Chapter 53 of title 5, United States Code, is amend-  
6 ed—

7 (1) in section 5303, by adding at the end the  
8 following:

9 “(h)(1) An employee covered under subchapter III  
10 whose summary rating of performance for the most re-  
11 cently completed appraisal period is below the fully suc-  
12 cessful level, as defined by the Director of the Office of  
13 Personnel Management, may not receive an increase in the  
14 rate of basic pay of that employee as the result of an ad-  
15 justment under this section. The Director shall prescribe  
16 such rules as may be necessary to administer this sub-  
17 section, including rules regarding the treatment of an em-  
18 ployee whose rate of basic pay falls below the minimum  
19 rate of the applicable grade (or between steps of a grade)  
20 and the treatment of an employee whose performance sub-  
21 sequently improves.

22 “(2) When a determination is made that an employee  
23 covered under subchapter III will not receive an increase  
24 in the rate of basic pay of that employee because the em-  
25 ployee’s summary rating of performance for the most re-

1 cently completed appraisal period is below the fully suc-  
2 cessful level, the employee is entitled to prompt written  
3 notice of that determination and an opportunity for recon-  
4 sideration of the determination within the agency, as spec-  
5 ified in the procedures prescribed by the Director of the  
6 Office of Personnel Management under section 5335(c).  
7 If the determination is affirmed on reconsideration, the  
8 employee is entitled to appeal to the Merit Systems Pro-  
9 tection Board under the same terms and conditions as  
10 specified in such section.”;

11 (2) in section 5304, by amending subsection (i)  
12 to read as follows:

13 “(i) The Director of the Office of Personnel Manage-  
14 ment shall prescribe regulations, consistent with this sec-  
15 tion, governing the payment of comparability payments to  
16 employees. The regulations shall provide that, at the time  
17 of an increase in a comparability payment, the rate of  
18 basic pay of an employee covered under subchapter III,  
19 or any other pay system designated by the Director, whose  
20 summary rating of performance for the most recently com-  
21 pleted appraisal period is below the fully successful level,  
22 as defined by the Director, shall be reduced by an amount  
23 that results in retaining the employee’s total rate of pay  
24 under this section and sections 5303 and 5304a, as in ef-  
25 fect immediately before any increase under such sections.

1 Such a reduction in an employee's rate of basic pay shall  
2 not be considered a reduction in pay for the purpose of  
3 applying the adverse action procedures under section  
4 7512.”; and

5 (3) in section 5305, by amending subsection (f)  
6 to read as follows:

7 “(f)(1) When a schedule of special rates established  
8 under this section is adjusted under subsection (d), the  
9 special rate of an employee shall be adjusted in accordance  
10 with conversion rules prescribed by the Director of the Of-  
11 fice of Personnel Management (or by such other agency  
12 as the President may designate under the last sentence  
13 of subsection (a)(1)).

14 “(2) The conversion rules prescribed under para-  
15 graph (1), shall provide that a covered employee whose  
16 summary rating of performance for the most recently com-  
17 pleted appraisal period is below the fully successful level,  
18 as defined by the Director of the Office of Personnel Man-  
19 agement, may not receive an increase in the special rate  
20 of that employee as the result of an adjustment under sub-  
21 section (d). The Director shall prescribe such rules as may  
22 be necessary to administer this paragraph, including rules  
23 regarding the treatment of an employee whose rate of  
24 basic pay falls below the minimum rate of the applicable  
25 grade (or between pay rates or steps of a grade) and the

1 treatment of an employee whose performance subsequently  
 2 improves. The rules may provide for reducing an employ-  
 3 ee's rate of basic pay to the extent necessary to prevent  
 4 any increase in the employee's special rate. Such a reduc-  
 5 tion in an employee's rate of basic pay shall not be consid-  
 6 ered a reduction in pay for the purpose of applying the  
 7 adverse action procedures in section 7512.

8       “(3) When a determination is made that a covered  
 9 employee will not receive an increase in the special rate  
 10 of that employee under this subsection because the em-  
 11 ployee's summary rating of performance for the most re-  
 12 cently completed appraisal period is below the fully suc-  
 13 cessful level, the employee is entitled to prompt written  
 14 notice of that determination and an opportunity for recon-  
 15 sideration of the determination within the agency, as spec-  
 16 ified in the procedures prescribed by the Director under  
 17 section 5335(c). If the determination is affirmed on recon-  
 18 sideration, the employee is entitled to appeal to the Merit  
 19 Systems Protection Board under the same terms and con-  
 20 ditions as specified in such section.”;

21               (4) in section 5335—

22                       (A) in subsection (a) by amending sub-  
 23 paragraph (B) to read as follows:

24                               “(B) the employee's summary rating of  
 25 performance for the most recently completed

1 appraisal period is at least at the fully success-  
2 ful level, as defined by the Director of the Of-  
3 fice of Personnel Management.”; and

4 (B) by amending subsection (c) to read as  
5 follows:

6 “(c)(1) When an employee’s summary rating of per-  
7 formance for the most recently completed appraisal period  
8 is below the fully successful level, the pay of that employee  
9 may not be increased under this section. Such an employee  
10 is entitled to prompt written notice of the determination  
11 not to increase the pay of that employee and an oppor-  
12 tunity for reconsideration of the determination within the  
13 agency under uniform procedures prescribed by the Direc-  
14 tor of the Office of Personnel Management. If the deter-  
15 mination is affirmed on reconsideration, the employee is  
16 entitled to appeal to the Merit Systems Protection Board.  
17 If the reconsideration or appeal results in a reversal of  
18 the earlier determination, the new determination super-  
19 sedes the earlier determination and is deemed to have been  
20 made as of the date of the earlier determination. The au-  
21 thority of the Director to prescribe procedures and the en-  
22 titlement of the employee to appeal to the Board do not  
23 apply to a determination made by the Librarian of Con-  
24 gress.

1 “(2) Notwithstanding any other provision of law, an  
 2 employee may grieve or appeal the first pay determination  
 3 under this subsection or under section 5303(h), 5305(f),  
 4 or 5363(b)(2)(C) that is based on the employee’s most re-  
 5 cent summary rating of performance. An employee may  
 6 not grieve or appeal any subsequent pay determination  
 7 made that is based on the same summary rating of per-  
 8 formance”; and

9 (5) by amending section 5338 to read as fol-  
 10 lows:

11 **“§ 5338. Regulations**

12 “The Director of the Office of Personnel Manage-  
 13 ment may prescribe regulations necessary for the adminis-  
 14 tration of this subchapter. Such regulations shall address  
 15 how paysetting rules apply to an employee whose rate of  
 16 basic pay is not equal to 1 of the scheduled step rates  
 17 as a result of a determination not to increase the rate of  
 18 basic pay of that employee under section 5303(h) or  
 19 5305(f) or to reduce the rate of basic pay of that employee  
 20 under section 5304(i) or 5305(f).”;

21 (6) in section 5343 (relating to prevailing rate  
 22 wage systems)—

23 (A) in subsection (e)—

24 (i) by amending paragraph (2) to read  
 25 as follows:

1       “(2) A prevailing rate employee under a regular wage  
 2 schedule whose summary rating of performance for the  
 3 most recently completed appraisal period is at least at the  
 4 fully successful level, as defined by the Director of the Of-  
 5 fice of Personnel Management, shall advance automati-  
 6 cally to the next higher step within the grade at the begin-  
 7 ning of the first applicable pay period following the com-  
 8 pletion by that employee of—

9               “(A) 26 calendar weeks of service in step 1;

10              “(B) 78 calendar weeks of service in step 2;

11              and

12              “(C) 104 calendar weeks of service in each of  
 13 steps 3 and 4.”;

14                               (ii) by amending paragraph (4) to  
 15 read as follows:

16       “(4) Supervisory wage schedules and special wage  
 17 schedules authorized under subsection (c)(3) may have  
 18 single or multiple rates or steps according to prevailing  
 19 practices in the industry on which the schedule is based.  
 20 A prevailing rate employee under a supervisory or special  
 21 wage schedule with multiple rates or steps whose summary  
 22 rating of performance for the most recently completed ap-  
 23 praisal period is at least at the fully successful level, as  
 24 defined by the Director of the Office of Personnel Manage-  
 25 ment, shall advance automatically to the next higher step

1 within the grade at the beginning of the first applicable  
2 pay period following the completion by that employee of  
3 any required waiting period.”; and

4 (iii) by adding at the end the fol-  
5 lowing:

6 “(5)(A) When a summary rating of performance of  
7 an employee covered under this subchapter for the most  
8 recently completed appraisal period is below the fully suc-  
9 cessful level, as defined by the Director of the Office of  
10 Personnel Management, the employee may not be ad-  
11 vanced to the next higher step within the grade under  
12 paragraph (2) or (4). Such an employee is entitled to  
13 prompt written notice of the determination not to increase  
14 the pay of that employee and an opportunity for reconsid-  
15 eration of the determination within the agency under uni-  
16 form procedures prescribed by the Director of the Office  
17 of Personnel Management. If the determination is af-  
18 firmed on reconsideration, the employee is entitled to ap-  
19 peal to the Merit Systems Protection Board. If the recon-  
20 sideration or appeal results in a reversal of the earlier de-  
21 termination, the new determination supersedes the earlier  
22 determination and is deemed to have been made as of the  
23 date of the earlier determination.

24 “(B) Notwithstanding any other provision of law, an  
25 employee may grieve or appeal the first pay determination



1 under this paragraph, subsection (g), or section  
2 5363(b)(2)(C) when such determinations are made based  
3 on the same summary rating of performance. An employee  
4 may not grieve or appeal any subsequent pay determina-  
5 tion made that is based on the same summary rating of  
6 performance.”; and

7 (B) by adding at the end the following:

8 “(g)(1) An employee covered under this subchapter  
9 whose summary rating of performance for the most re-  
10 cently completed appraisal period is below the fully suc-  
11 cessful level, as defined by the Director of the Office of  
12 Personnel Management, may not receive an increase in the  
13 rate of basic pay of that employee as the result of an ad-  
14 justment in any wage schedule established under this sub-  
15 chapter. The Director may prescribe such rules as may  
16 be necessary to administer this subsection, including rules  
17 regarding the treatment of an employee whose rate of  
18 basic pay falls below the minimum rate of the applicable  
19 grade (or between steps of a grade) and the treatment  
20 of an employee whose performance subsequently improves.

21 “(2) When a determination is made that a covered  
22 employee will not receive an increase in the rate of basic  
23 pay of that employee at the time of an adjustment in a  
24 wage schedule because the employee’s summary rating of  
25 performance for the most recently completed appraisal pe-

1 riod is below the fully successful level, the employee is enti-  
 2 tled to prompt written notice of that determination and  
 3 an opportunity for reconsideration of the determination  
 4 within the agency, as specified in the procedures pre-  
 5 scribed by the Director of the Office of Personnel Manage-  
 6 ment under subsection (e)(5). If the determination is af-  
 7 firmed on reconsideration, the employee is entitled to ap-  
 8 peal to the Merit Systems Protection Board under the  
 9 same terms and conditions as specified under subsection  
 10 (e)(5).”;

11 (7) in section 5363(b)(2) (relating to pay reten-  
 12 tion)—

13 (A) in subparagraph (B) by striking “A  
 14 rate” and inserting “Except as provided in sub-  
 15 paragraph (C), a rate”; and

16 (B) by adding at the end the following:

17 “(C)(i) An employee’s retained rate may not be in-  
 18 creased under subparagraph (B) if the employee’s sum-  
 19 mary rating of performance for the most recently com-  
 20 pleted appraisal period is below the fully successful level,  
 21 as defined by the Director of the Office of Personnel Man-  
 22 agement. The Director shall prescribe such rules as may  
 23 be necessary to administer this subparagraph, including  
 24 rules regarding the treatment of an employee whose per-  
 25 formance subsequently improves.

1       “(ii) When a determination is made that an employee  
 2 will not receive an increase in the retained rate of that  
 3 employee because the employee’s summary rating of per-  
 4 formance for the most recently completed appraisal period  
 5 is below the fully successful level, the employee is entitled  
 6 to prompt written notice of that determination and an op-  
 7 portunity for reconsideration of the determination within  
 8 the agency, as specified in the procedures prescribed by  
 9 the Director of the Office of Personnel Management under  
 10 section 5335(c). If the determination is affirmed on recon-  
 11 sideration, the employee is entitled to appeal to the Merit  
 12 Systems Protection Board under the same terms and con-  
 13 ditions as specified under section 5335(c).”;

14               (8) in section 5376(b) (relating to pay for cer-  
 15       tain senior-level positions)—

16                       (A) in paragraph (2), by striking “Subject  
 17               to paragraph (1)” and inserting “Subject to  
 18               paragraphs (1) and (3)”; and

19                       (B) by adding at the end the following:

20               “(3) Notwithstanding any other provision of  
 21       this section, an employee covered under this section  
 22       whose summary rating of performance for the most  
 23       recently completed appraisal period is below the fully  
 24       successful level, as defined by the Director of the Of-  
 25       fice of Personnel Management, may not receive an

1       increase in the rate of basic pay of that employee.  
 2       The Director shall prescribe such rules as may be  
 3       necessary to administer this paragraph, including  
 4       rules regarding the treatment of an employee whose  
 5       rate of basic pay falls below the otherwise applicable  
 6       minimum rate prescribed by paragraph (1)(A) and  
 7       the treatment of an employee whose performance  
 8       subsequently improves.”;

9               (9) in section 5382(a), in the first sentence, by  
 10       inserting “(except as provided by section 5383(a))”  
 11       after “for the Senior Executive Service, and”; and

12              (10) in section 5383, by amending subsection  
 13       (a) to read as follows:

14       “(a) Each appointing authority shall determine, in  
 15       accordance with criteria established by the Director of the  
 16       Office of Personnel Management, which of the rates within  
 17       a range established under section 5382 shall be paid to  
 18       each senior executive under such appointing authority.  
 19       Such criteria shall provide that a member of the Senior  
 20       Executive Service may not receive an increase in the rate  
 21       of basic pay of that member if such member’s summary  
 22       rating of performance for the most recently completed ap-  
 23       praisal period is below the fully successful level, as defined  
 24       by the Director. The Director shall prescribe such rules  
 25       as may be necessary to administer this subsection, includ-

1 ing rules regarding the treatment of a member whose rate  
 2 of basic pay falls below the otherwise applicable minimum  
 3 rate prescribed by section 5382(a) and the treatment of  
 4 a member whose performance subsequently improves.”.

5 **SEC. 5. SENIOR EXECUTIVE SERVICE PLACEMENT IN**  
 6 **OTHER PERSONNEL SYSTEMS.**

7 Section 3594(c)(2) of title 5, United States Code, is  
 8 amended to read as follows:

9 “(2)(A) Except as provided in subparagraph (B) of  
 10 this paragraph, an employee who is receiving basic pay  
 11 under paragraph (1)(B)(ii) or (iii) is entitled to have the  
 12 rate of basic pay of the employee increased by 50 percent  
 13 of the amount of each increase in the maximum rate of  
 14 basic pay for the grade of the position in which the em-  
 15 ployee is placed under subsection (a) or (b) until the rate  
 16 is equal to the rate in effect under paragraph (1)(B)(i)  
 17 for the position in which the employee is placed.

18 “(B) A rate of basic pay established under paragraph  
 19 (1)(B)(ii) or (iii) may not be increased under subpara-  
 20 graph (A) if the employee’s summary rating of perform-  
 21 ance for the most recently completed appraisal period is  
 22 below the fully successful level, as defined by the Director  
 23 of the Office of Personnel Management. The Director shall  
 24 prescribe such rules as may be necessary to administer  
 25 this subparagraph, including rules regarding the treat-

1 ment of an employee whose performance subsequently im-  
 2 proves.”.

3 **SEC. 6. EFFECTIVE DATES AND IMPLEMENTATION.**

4 (a) SECTIONS 2 AND 3.—

5 (1) EFFECTIVE DATE.—The amendments made  
 6 by sections 2 and 3 shall take effect on the earlier  
 7 of—

8 (A) 180 days after the date of enactment  
 9 of this Act; or

10 (B) the effective date of implementing reg-  
 11 ulations prescribed by the Director of the Office  
 12 of Personnel Management.

13 (2) SUBMISSIONS.—

14 (A) PERFORMANCE APPRAISAL SYSTEMS.—

15 Not later than July 1, 2007, each agency cov-  
 16 ered by subchapter I of chapter 43 of title 5,  
 17 United States Code, shall submit to the Direc-  
 18 tor of the Office of Personnel Management each  
 19 performance appraisal system established under  
 20 that subchapter so that the Director may deter-  
 21 mine whether the system meets the require-  
 22 ments of the subchapter. Each submission  
 23 under this paragraph shall include all informa-  
 24 tion the Director requires in order to make the  
 25 determination.

1                   (B) REPORT TO CONGRESS.—Not later  
2                   than November 1, 2007, the Director of the Of-  
3                   fice of Personnel Management shall submit a  
4                   report regarding the Director’s review under  
5                   section 4304(b)(1) of title 5, United States  
6                   Code, as amended by section 2 of this Act, to  
7                   the President and Congress.

8           (b) SECTIONS 4 AND 5.—The amendments made by  
9           sections 4 and 5 shall apply with respect to any employee  
10           beginning on the first day of the first pay period following  
11           the completion of 52 weeks after the date on which the  
12           first annual adjustments in rates of basic pay under sec-  
13           tion 5303 of title 5, United States Code, occur following  
14           the date of enactment of this Act.

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